

HOUSE BILL NO. HB0173

Medical malpractice insurance premium pool.

Sponsored by: Representative(s) Hinckley, Buchanan, Cohee, Harvey, Illoway, Olsen and Ross

A BILL

for

1 AN ACT relating to a medical malpractice insurance premium
2 pool; creating the medical malpractice insurance premium
3 pool; proving legislative findings and purposes;
4 authorizing payments of physicians' medical malpractice
5 insurance premiums as specified; providing requirements;
6 specifying duties of insurance commissioner; providing an
7 appropriation; providing a sunset date; and providing for
8 an effective date.

9

10 *Be It Enacted by the Legislature of the State of Wyoming:*

11

12 **Section 1.** W.S. 26-33-201 and 26-33-202 are created
13 to read:

14

15

ARTICLE 2

16

MEDICAL MALPRACTICE INSURANCE PREMIUM POOL

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2 **26-33-201. Medical malpractice insurance pool;**
3 **findings; purpose.**

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5 (a) The legislature finds that there is a medical
6 malpractice insurance crisis in Wyoming that is causing
7 physicians' professional insurance premiums to increase to
8 the point that some physicians practicing in some medical
9 subspecialties are unable to afford insurance premium
10 increases and are closing their practices and leaving, or
11 contemplating closing their practices and leaving, the
12 state. The loss of those physicians will, or may, result,
13 in decreased availability of adequate medical care for
14 Wyoming citizens throughout the state. The legislature
15 further finds that Wyoming, as a demographically frontier
16 state, has difficulty recruiting sufficient numbers of
17 physicians to practice in more rural areas of the state.

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19 (b) It is the purpose of this article to attempt:

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21 (i) To retain physicians who may otherwise close
22 their practices in Wyoming because of the cost of medical
23 malpractice insurance;

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1 (ii) To maintain an adequate number of
2 physicians in the state to meet the needs of Wyoming
3 citizens, particularly those citizens who could not
4 otherwise afford or obtain necessary medical care.

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6 **26-33-202. Medical malpractice insurance pool;**
7 **creation; duties of state treasurer and insurance**
8 **commissioner; terms of assistance; recoupment.**

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10 (a) There is created a medical malpractice insurance
11 premium pool account within the trust and agency fund. The
12 account and any investment income earned from the account
13 shall be held in trust and invested and reinvested by the
14 state treasurer pursuant to W.S. 9-4-711.

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16 (b) The insurance commissioner shall:

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18 (i) Examine premiums for each medical specialty
19 or subspecialty in each of the states surrounding Wyoming
20 and calculate the average of those rates for each medical
21 specialty or subspecialty;

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1 (ii) Develop and make available application
2 forms for medical malpractice insurance premium assistance
3 under this section.

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5 (c) Any physician who has been licensed and
6 practicing in the state for not less than one (1) year may
7 apply to the commissioner for assistance in paying the
8 physician's medical malpractice insurance premium. As a
9 condition of receiving assistance under this section, the
10 physician shall enter into a contract with the state,
11 wherein the physician shall agree:

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13 (i) To practice in Wyoming for the entire
14 period of the contract for which he will receive assistance
15 with his insurance premium under this section in his area
16 of medical specialty or subspecialty;

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18 (ii) To provide medical care for the entire
19 period of the contract to any Wyoming resident qualified
20 under the Wyoming Medical Assistance and Services Act, the
21 Wyoming Health Insurance Pool Act or the Wyoming uninsured
22 child health insurance program who seeks medical care which
23 the physician is qualified to provide.

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1 (d) The commissioner shall compare the insurance
2 premium of a physician who meets the requirements specified
3 in subsection (c) of this section with the average premium
4 calculated under paragraph (b)(i) of this section for the
5 physician's medical specialty or subspecialty. If the
6 physician's insurance premium is higher than the average
7 calculated under paragraph (b)(i) of this section, the
8 commissioner may, to the extent funding is available, pay
9 any amount of the physician's insurance that is in excess
10 of the average calculated under paragraph (b)(i) of this
11 section, from the account established by this section. In
12 no case shall the commissioner pay any portion of a
13 physician's insurance premium that is less than the average
14 calculated under paragraph (b)(i) of this section.

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16 (e) Any physician who receives assistance with his
17 medical malpractice insurance premium under this section
18 and who fails or refuses to fulfill the terms of the
19 contract required under subsection (c) of this section,
20 shall be in default. The commissioner shall obtain the
21 assistance of the attorney general in recouping the amount
22 of assistance provided under the contract.

23

1 **Section 2.** There is appropriated from the budget
2 reserve account to the medical malpractice insurance
3 premium pool account within the trust and agency fund, ten
4 million dollars (\$10,000,000.00) to implement the purposes
5 of this act, including payment of physicians' qualified
6 medical malpractice insurance premiums and administrative
7 costs incurred by the insurance commissioner in the
8 implementation of the act.

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10 **Section 3.** W.S. 26-33-201 and 26-33-202 are repealed
11 effective June 30, 2006.

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13 **Section 4.** This act is effective July 1, 2004.

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(END)